

2009 DRAFTING REQUEST

Bill

Received: **02/02/2009**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **John Nygren (608) 266-2343**

By/Representing: **Waylon Hurlburt**

This file may be shown to any legislator: **NO**

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Insurance - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Nygren@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Require insurer to provide separate information about catastrophic claims when providing claims experience information

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 02/02/2009	jdyer 02/19/2009		_____ _____			
/1			phenry 02/19/2009	_____ _____	sbasford 02/19/2009	sbasford 02/20/2009	

FE Sent For: **NONE**

<END>

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/?	pkahler	1/29 jld	2/19 Ph	2/19 Ph/km			

FE Sent For:

<END>

Bill Request Form

Legislative Reference Bureau

One East Main Street, Suite 200
Legal Section 266-3561

You may use this form or talk directly with the LRB attorney who will draft the bill.

Date Feb. 2, 2009

Legislator, agency, or other person requesting this draft Rep. John Nygren

Person submitting request (name and phone number) Waylon Hurlburt 266-2343

Persons to contact for questions about this draft (names and phone numbers) Waylon Hurlburt 266-2343, Dan Schwartzer (WAHU) 268-0200

Describe the problem, including any helpful examples. How do you want to solve the problem?

See attached.

Please attach a copy of any correspondence or other material that may help us. If you know of any statute sections that might be affected, list them or provide a marked-up copy.

You may attach a marked-up copy of any LRB draft or provide its number (e.g., 2005 LRB-2345/1 or 2003 AB-67).

Requests are confidential unless stated otherwise. May we tell others that we are working on this for you? YES ☒ NO

If yes:

Anyone who asks? YES NO

Any legislator? YES NO

Only the following persons _____

Do you consider this request urgent? YES ☒ NO If yes, please indicate why _____

Should we give this request priority over any pending request of this legislator, agency, or person?

YES ☒ NO

Kahler, Pam

From: Hurlburt1, Waylon
Sent: Monday, February 02, 2009 8:59 AM
To: Kahler, Pam
Cc: Dodge, Tamara
Subject: Bill Draft Request

Attachments: Draft Request.pdf; AB-855.pdf; 2009 Drafting Attachment.pdf



Draft Request.pdf
(54 KB)



AB-855.pdf (15 KB)



2009 Drafting
Attachment.pdf (...)

Pam,

Can we get a re-draft of 2007 AB 855?

3630

Thanks,

Waylon Hurlburt
Legislative Aide
Office of Representative John Nygren
89th Assembly District
(608)266-2343

From: Dan Schwartzter [mailto:dan@ewahu.org]
Sent: Wednesday, December 05, 2007 1:33 PM
To: 'Rep.lasee@legis.wisconsin.gov'
Subject: Legislation

Hi Frank,

Not sure if you recall all of the provisions of WAHU's reform health care reform plan, but one measure included a claims data provision. The issue involves the right of an employer to request claims data from their insurance company when they are trying to competitively shop for coverage. Right now, if an employer that has over 50 employees requests claims experience, their existing insurance company is required to provide aggregate claims data. This would be the total number of claims (in dollar volume) that the insurer has paid on the employer's behalf, as well as a ratio to the total premium received by the insurer.

While this data is important for insurers in determining the proposal they would give to the employer, the law is outdated and should also include shock loss claims. These are claims on individuals that exceed a certain dollar threshold. Without shock loss claims data, many insurers are either not providing a competitive quote, or they are rating the plan higher than it might otherwise have to be. In order to remove one of the barriers for employers to competitively shop for insurance, we are proposing that the current law to provide claims data be expanded to include shock loss claims.

Below is a quick overview of what we are trying to accomplish. We would like to ask if you would be willing to be the lead author of the bill. I would be happy to meet you to answer any questions you have. Let me know.

Thanks

Dan Schwartzter
WAHU

CLAIMS DATA LEGISLATION

The proposed legislation would affect all licensed insurance companies, both domestic and foreign, and health maintenance organizations that issue or administer group health benefit plans in the State of Wisconsin, as defined in s.632.745 (9). This legislation would not apply to group insurance policies of the following types: accident only; credit; dental; vision; Medicare supplement; long term care; or disability income.

From information available, companies should provide loss history information to the group health benefit plan within thirty (30) days of a written request. Reports need not be provided more often than twice annually. At a minimum, groups have a right to expect loss history information from current and former insurers, administrators or health maintenance organizations for any group covering two (2) or more individuals. These reports should be current and available to the group health benefit plan for three (3) years after termination of a policy.

The loss history information provided to the group health plan must include at least the following information based on a calendar year, policy year, or renewal period:

1. Total premium received;
2. Total incurred claims;
3. Total paid claims;
4. Total pending claims; and
5. Description of any large or catastrophic claims exceeding ten thousand dollars (\$10,000). This legislation acknowledges that there are privacy issues to be considered in providing this information. Information should be provided in a format that does not disclose personally identifiable health information unless there is authority to do so.

This legislation would require compliance, with applicable penalties for non-compliance

keep at 50 emp min
just add "shock loss" to
632.717 as incurred loss

by description → diagnosis
may need to add → does not abrogate
any confidentiality
requirements

HCC Life Insurance Company (HCC Life) is proud to notify our clients of more successful legislation benefiting the self-funded industry. Georgia law (O.C.G.A. 33-30-13.1) was recently modified to require that insurers furnish claims experience within the 30 days of the policyholder's request:

All insurers shall furnish, regardless of the rating methodology used, claims experience to group policyholders within 30 days of any policyholder's request unless such information has been furnished to the group policyholder within the preceding six months. Such claims experience shall be furnished for all groups of 51 or more covered employees, members, or enrollees, not including dependents, and shall include, but shall not be limited to:

(A) Earned premiums separated by policy year for at least the last two policy years, if applicable;

(B) Total paid claims and total incurred claims, inclusive of any high amount or pooled claims, including both capitated and noncapitated expenses set forth in the same manner as premiums; and

(C) Any amounts in excess of the individual pooling or stop loss point applicable to the group.



State of Wisconsin
2007-2008 LEGISLATURE
2009-2010

1910/1
LRB-3636/1
PJK/ld/pg
Stays r m not run

2009
2007 ASSEMBLY BILL 855

(i 2-2)
February 21, 2008 - Introduced by Representatives F. LASEE and NYGREN, cosponsored by Senators DARLING and SCHULTZ. Referred to Committee on Insurance.

X regenerate ↓
1 AN ACT to amend 632.797 (1) (a) of the statutes; relating to: providing
2 descriptions of claims that exceed \$10,000.✓

Analysis by the Legislative Reference Bureau

Under current law, an insurer is required, at the request of a policyholder✓ of a group health insurance policy or an employer that provides health care coverage to its employees through a✓ multiple-employer trust, to provide the✓ policyholder or employer✓ with the policyholder's or employer's aggregate group health claims experience for the current policy period and for up to two immediately preceding periods. The information need not be provided unless the policyholder or employer provides coverage for at least 50✓ individuals. This bill requires an insurer, when providing health claims experience information to a✓ policyholder or employer, to include at the request of the policyholder or employer a separate description of any large or catastrophic claims exceeding \$10,000✓ that are included in the policyholder's or employer's aggregate group health claims experience.✓

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 SECTION 1. 632.797 (1) (a)✓ of the statutes is amended to read:
4 632.797 (1) (a) Except as provided in subs. (2) and (3), an insurer shall provide
5 the policyholder of a group or blanket disability insurance policy, or an employer that

ASSEMBLY BILL 855**SECTION 1**

1 provides health care coverage to its employees through a multiple-employer trust,
2 with the policyholder's or the employer's aggregate group health claims experience
3 for the current policy period, and for up to 2 policy periods immediately preceding the
4 current policy period if the insurer provided coverage during those periods, upon
5 request from the policyholder or employer. As part of the information required under
6 this paragraph, ✓ an insurer shall, if a policyholder ✓ or employer so requests, include
7 a separate description of any large or catastrophic claims exceeding ✓ \$10,000, or a
8 higher amount at the request of the policyholder or employer, ✓ that are included in
9 the policyholder's or employer's aggregate group health claims experience. ✓

10 **SECTION 2. Initial applicability.**

11 (1) This act first applies to requests for aggregate group health claims
12 experience ✓ that are made on the effective date of this subsection. ✓

13 (END)

Insert 2-9 ✓

**2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1910/ins
PJK:.....

INSERT 2-9

- 1 **SECTION 1.** 632.797 (6) of the statutes is amended to read:
- 2 632.797 (6) An insurer that provides aggregate health claims experience the
- 3 information under sub. (1) in compliance with this section is immune from civil
- 4 liability for its acts or omissions in providing such information.

History: 1993 a. 448.

(END OF INSERT 2-9)

Basford, Sarah

From: Hurlburt1, Waylon
Sent: Friday, February 20, 2009 8:51 AM
To: LRB.Legal
Subject: Draft Review: LRB 09-1910/1 Topic: Require insurer to provide separate information about catastrophic claims when providing claims experience information

Please Jacket LRB 09-1910/1 for the ASSEMBLY.